

Business Requirements

Pub. 100-06	Transmittal: 25	Date: November 3, 2003	Change Request 2828
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I. GENERAL INFORMATION

A. Background: Medicare Regulation 42 CFR §405.378 provides for the assessment of interest at the higher of the private consumer rate or the current value of funds rate (2 percent for calendar year 2003).

B. Policy: The Secretary of the Treasury has notified the Department of Health and Human Services that the private consumer rate has been changed to **12.00 percent**. The notice of the PCR was published in the **Federal Register** (see Vol. 68, No. 212 dated November 3, 2003).

C. Provider Education: None.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
2828.1	The Medicare contractor shall implement an interest rate of 12.00% effective November 3, 2003 for Medicare overpayments and underpayments.	All contractors

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions:

X-Ref Requirement #	Instructions
2828.1	This reaffirms interest rates for prior periods:

Period	Interest Rate
February 7, 2001 – April 25, 2001	14.125%
April 26, 2001 - August 6, 2001	13.75%
August 7, 2001 – October 30, 2001	13.25%
October 31, 2001 – January 31, 2002	13.25%
February 1, 2002 – May 7, 2002	12.625%
May 8, 2002 – August 7, 2002	11.75%
August 8, 2002 – November 18, 2002	12.625%

November 19, 2002 – February 10, 2003	11.25%
February 11, 2003 – April 27, 2003	10.75%
April 28, 2003 – August 10, 2003	11.625%
August 11, 2003 – November 2, 2003	12.125%
November 3, 2003	12.00%

B. Design Considerations:

X-Ref Requirement #	Recommendation for Medicare System Requirements
N/A	

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. OTHER CHANGES

Citation	Change
N/A	

SCHEDULE, CONTACTS, AND FUNDING

Effective Date: November 3, 2003 Implementation Date: November 3, 2003 Pre-Implementation Contact(s): Tom Noplock (410) 786-3378 Post-Implementation Contact(s): Tom Noplock (410) 786-3378	These instructions should be implemented within your current operating budget.
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